

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**April 25, 2007**

**TO:** Honorable Vicki Truitt, Chair, House Committee on Pensions & Investments

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB3609** by Talton (Relating to membership and service credit in the Employees Retirement System of Texas for certain retired employees.), **As Introduced**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill provides that a person who retired from the employee class with more than 14 years of service credit, and who resumed employment with a house of the legislature, not as an employee of an individual member, is entitled to apply for and receive an additional employee class retirement annuity for the period served in that position after retirement.

Based on the analysis by the Employees Retirement System, no additional state contributions are required to meet the provisions of this bill; however, enactment of this bill without sufficient funding to achieve the 31-year funding period would violate statutory funding requirements. Assuming the state would fund the contribution rate required to achieve the 31-year funding period, the cost is estimated at \$26.3 million in General Revenue in fiscal year 2008 and \$27.3 million in General Revenue in fiscal year 2009.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 327 Employees Retirement System

**LBB Staff:** JOB, KJG, JW